KINGSTON LOCAL DEVELOPMENT CORPORATION

James M. Sottile, President

Michael F. Murphy Portfolio Manager

October 6, 2011

John H, Dwyer, Vice President

MEMORANDUM

Daniel P. Mills

BOARD OF DIRECTORS - KINGSTON LOCAL DEVELOPMENT CORPORATION

Treasurer

JAMES NOBLE, CITY OF KINGSTON ALDERMAN AT LARGE

Bradley Jordan,

ARLENE RION, CITY CLERK MICHAEL F. MURPHY, COMMUNITY DEVELOPMENT DIRECTOR / EXECUTIVE DIRECTOR KLDC

Secretary

AMANDA L. BRUCK-LITTLE, RECORDING SECRETARY KLDC STEPHEN M. FINKLE, ECONOMIC DEVELOPMENT DIRECTOR

Rev. James Childs

SUZANNE CAHILL, CITY PLANNER

Glenn Fitzgerald

BRENNA ROBINSON, ZONE COORDINATOR EZ MICHAEL F. JORDAN, ESQ., COUNSEL KLDC

DANIEL MARSH III, NATIONAL DEVELOPMENT COUNCIL DIRECTOR

Raymond C. Guerin

DAILY FREEMAN, 79 HURLEY AVENUE, KINGSTON, NY 12401

Richard B. Mathews

WKNY, PO BOX 1398, KINGSTON, NY 12402

John Murphy

WGHQ, 82 JOHN STREET, KINGSTON, NY 12401 BRIAN JONES, WPHD/WCZX/WEOK/WRRV, PO BOX 416, POUGHKEEPSIE, NY 12602

POSTMASTER, KINGSTON PO BOX 9998, KINGSTON, NY 12402-9998

an Potter

Thomas J. Reinhardt

FROM: JAMES M. SOTTILE, MAYOR/PRESIDENT OF KLDC BOARD OF DIRECTORS

KINGSTON LOCAL DEVELOPMENT CORPORATION BOARD MEETING RE:

Please be advised that a meeting of the Kingston Local Development Corporation will be held at 8:00 a.m., Thursday, October 20, 2011 Said meeting will be held in the Mayor's Conference Room, City Hall, 420 Broadway, Kingston, NY 12401.

AFFIDAVIT OF MEETING:

I, Bradley Jordan, Secretary for the Board of Directors of the Kingston Local Development Corporation, did on the 6th day of October, 2011 mail this notice to the individuals listed above. Mailing was accomplished by sealing said notice in an envelope and depositing same, with postage thereon, full pre-paid, with the United States Post Office.

BRADLEY JORDAN, SECRETARY

KINGSTON LOCAL DEVELOPMENT CORPORATION

James M. Sottile, President

Michael F. Murphy Portfolio Manager

John H, Dwyer, Vice President		AGENDA Thursday, October 20, 2011 @ 8:00 a.m.
Daniel P. Mills Treasurer		
Bradley Jordan, Secretary		
Rev. James Childs	1.	Call to Order
Glenn Fitzgerald		
Raymond C. Guerin	2.	Approval of Minutes of Previous Meeting from 6/26/2011
Richard B. Mathews		
John Murphy	3.	Discussion: Frank Guido – purchase of 15 Thomas St.
^t an Potter		(Little Italy)
Thomas J. Reinhardt	4.	Past Due Loans
	5.	Update on ABO Board Member Training
	6.	Adjournment

If you are **unable** to attend please notify Michael Murphy (334-3924) or Amanda Bruck-Little (334-3930). If we do not have a quorum we are unable to vote on any matters at hand.

KINGSTON LOCAL DEVELOPMENT CORPORATION

James M. Sottile, President

KINGSTON LOCAL DEVELOPMENT CORPORATION

Michael F. Murphy Portfolio Manager

October 20, 2011

PRESENT:

John H, Dwyer, Vice President BOARD MEMBERS - President Sottile, Secretary Jordan, Guerin, Fitzgerald, Mathews, J. Murphy, Potter.

Reinhardt & Rev. Childs

Daniel P. Mills Treasurer COMMUNITY DEVELOPMENT DIRECTOR / KLDC EXECUTIVE DIRECTOR - M. Murphy

RECORDING SECRETARY - Bruck-Little

ECONOMIC DEVELOPMENT DIRECTOR - Finkle

Bradley Jordan, Secretary

CITY PLANNER - Cahill

BOARD ATTORNEY - M. Jordan

Rev. James Childs

Glenn Fitzgerald

ABSENT:

Raymond C. Guerin

BOARD MEMBERS - Treasurer Mills, Vice President Dwyer, Reinhardt

EZ COORDINATOR - Robinson

Richard B. Mathews

John Murphy

Meeting was called to order by President Sottile at 8:04 am.

'an Potter

Thomas J. Reinhardt

A motion to accept the minutes from the previous meeting of June 26, 2011 was made by Ms. Potter and second by Mr. Fitzgerald. Motion carried.

Discussion – Mr. Murphy has met with Ms. Cheryl Bowers of Rondout Savings Bank and Mr. Frank Guido, owner of Little Italy restaurant regarding the purchase of 15 Thomas St. which is the location of the restaurant. This potential purchase is strictly in the preliminary stages. The initial reaction from the Board was their concern of the building being over priced in this economy and the amount of the potential loan request based on the price of the building. After much discussion the Board decided to have the bank to take lead and obtain an appraisal on the building. Once this is done, the Board will reconvene to discuss the request and if they feel comfortable with the numbers they will vote on the loan application.

Past Due Loans

The attorney, Stephanie Whidden who has been retained by the KLDC to handle litigations is in need of replenishment of funding for her retainer fee. When the money depletes it needs to be replenished in order to keep the attorney on retainer. A motion was made by Ms. Potter to replenish the retainer fee in order to continue working on litigation against default clients. Second by Mr. Guerin. Motion carried.

<u>Mike Spada</u> — Per the Board's recommendation at the 6/26/2011 meeting, this client was sent to the attorney's to begin litigation. President Sottile and Mr. M. Murphy have had many communications with and Mr. Spada and many times has said he would make payment and become current on his loan but to date has not done so. The City has already begun foreclosure on his property on Wall St. for non-payment of taxes. A motion was made by Mr. Gurein to move forward with foreclosure proceedings against Mr. Spada. Second by Mr. Mathews. Mr. J. Murphy and Ms. Potter abstained. Motion carried.

<u>Bridgewater</u> – Ms. Amanda Haight taken leave and is unreachable after having closed the Bridgewater Restaurant/Bar. She has not been current on payments and has put the building on the market. Since equipment cannot be sold off prior to repayment to the KLDC a motion was made by Mr. Mathews to send this client to the attorney and direct the attorney to take whatever steps necessary to protect KLDC's interest. Second by Mr. Jordan. Mr. J. Murphy abstained. Motion carried.

<u>KRNH-</u> The Board discussed the lengthy amount of time they have waited for repayment and since none has been forthcoming a motion was made by Mr. Fitzgerald to send a thirty (30) day notice demanding payment and thereafter begin litigation against KRNH. Second by Mr. Gurein. Motion carried.

Noah Hotel/Charles Blaichman – Mr. Blaichman has still not made payment on his loan. Mr. Finkle enlightened the Board as to why Mr. Blaichman feels he in the right for non-payment. There was a contractor who was working for the City within the area of Mr. Blaichman's property who had laid a pile of dirt on the property and has since, spread out the pile and seeded it un-beknownst to either Mr. Blaichman or the City. Meanwhile, Mr. Blaichman had said he needed to refinance and had found out about what happened on the property. He said he would need to provide his financial institution with a letter confirming it is free of contaminants and since he couldn't do that until the soil is tested (and not at his expense) he will not repay the KLDC loan. The Board had a lengthy discussion and unanimously decided that one thing has nothing to do with the other and he must pay. A motion was made by Mr. Mathewsto have a letter of demand sent by Mr. M. Murphy and reviewed by Attorney Jordan. If payment is not received, litigation is to begin immediately. The Board has been more that patient with Mr. Blaichman for over 2 years regarding this matter. Second by Rev. Childs. Motion carried.

Rosita's Mexican Restaurant -Ulster Savings Bank has begun foreclosure proceedings.

<u>Authorities Budget Office (ABO) Board Training</u>— All session are full but the ABO is aware of the need of more sessions as a limited number people are able to participate per session. Beginning late December early January there should be new sessions available so the Board should continue to check online for the openings. It was suggested that Mr. Murphy look into having someone come to City Hall to provide the training as it would be easier for all of the Board members.

Mr. Murphy stated another Board meeting would be scheduled for December.

At 9:08 am a motion was made by Mr. Mathews to adjourn. Second by Secretary Jordan. Motion carried.

Respectively Submitted,

anusla Y. Bruil Since

Amanda L. Bruck-Little Recording Secretary